

Message Text

UNCLASSIFIED

PAGE 01 LILONG 01024 291737Z

ACTION AF-10

INFO OCT-01 ISO-00 EB-08 /019 W

-----091224 301240Z /72

R 290905Z JUN 78

FM AMEMBASSY LILONGWE

TO SECSTATE WASHDC 2042

USDOC WASHDC

INFO AMEMBASSY DAR ES SALAAM

AMEMBASSY LUSAKA

AMEMBASSY MAPUTO

UNCLAS LILONGWE 1024

E.O. 11652: N/A

TAGS: BENC, EAIR, EWNT, ELTN, MI

SUBJECT: MAJOR PROJECTS: MALAWI'S TRANSPORTATION SECTOR

REF: (A) STATE 155821 (NOTAL); (B) LILONGWE 340,

(C) LILONGWE A-17 (D) NAIROBI 9606

1. SUMMARY: DURING NEXT FIVE YEARS, A SIGNIFICANT EXPANSION OF MALAWI'S LAKE PORT AND WATER-BORNE TRANSPORTATION FACILITIES IS LIKELY. IN AIR TRANSPORT, THE NATIONAL AIRLINE IS SCHEDULED TO REPLACE ITS VC-10 AIRCRAFT BY 1980. MALAWI RAILWAYS WILL PROBABLY MAKE CONSIDERABLE ADDITIONS TO ITS ROLLING STOCK. END SUMMARY

2. LAKE TRANSPORT. THE LIKELY CONSTRUCTION OF A PULP MILL AT CHINTECHE ON LAKE MALAWI (REF B) WILL REQUIRE A MAJOR EXPANSION OF MALAWI'S WATER TRANSPORT CAPABILITIES. PORT FACILITIES WILL HAVE TO BE ESTABLISHED, LAKE BARGES PURCHASED AND ADDITIONAL ROLLING STOCK FOR MALAWI RAILWAYS WILL BE NEEDED. IT IS ESTIMATED THAT THE TOTAL COST OF THE PULP MILL PROJECT WILL BE ABOUT \$500 MILLION. THIS INCLUDES THE COST OF THE COMMERCIAL MILL AND OTHER INFRASTRUCTURAL NEEDS (I.E. ROADS AND POWER). SOFT UNCLASSIFIED

UNCLASSIFIED

PAGE 02 LILONG 01024 291737Z

LOANS ARE BEING ACTIVELY SOUGHT TO FINANCE THE NON-COMMERCIAL ELEMENTS OF THE PROJECT. A DONOR'S CONFERENCE, SIMILAR TO THE CONFERENCE NOW UNDERWAY ON THE COUNTRY'S NATIONAL ROAD DEVELOPMENT PROGRAM, WILL PROBABLY BE HELD IN THE NEAR FUTURE TO IDENTIFY SOURCES OF FINANCE.

3. DEVELOPMENT OF NGANA COAL DEPOSIT LOCATED IN

NORTHERN MALAWI (REF C) WOULD ALSO REQUIRE EXTENSIVE PORT IMPROVEMENTS AND THE PROCUREMENT OF BARGES FOR LAKE TRANSPORT TO MALAWI'S MAJOR MARKET AREAS. FEASIBILITY STUDIES HAVE BEEN COMPLETED BUT NO ASSURED SOURCE OF FINANCE HAS BEEN FOUND.

4. AIR TRANSPORT. THE NATIONAL AIRLINE, AIR MALAWI, IS SCHEDULED TO REPLACE ITS ONE LONG-RANGE AIRCRAFT, A VC-10, WITHIN THE NEXT TWO YEARS. IT WAS ORIGINALLY THOUGHT THAT AIR MALAWI WOULD PURCHASE A USED 707-SIZE AIRCRAFT BUT RECENT REPORTS INDICATE THAT THE PROCUREMENT OF A WIDE-BODIED PLANE IS BEING SERIOUSLY CONSIDERED.

5. LILONGWE INTERNATIONAL AIRPORT. WORK BEGAN ON THE NEW AIRPORT IN NOVEMBER 1977. AN AMERICAN FIRM, NELLO L. TEER OF DURHAM, NORTH CAROLINA, WAS AWARDED THE RUNWAY CONSTRUCTION CONTRACT. THE CONTRACT, WORTH \$15 MILLION PLUS, WAS PARTIALLY FINANCED BY THE AFRICAN DEVELOPMENT BANK PHASE II LOAN OF \$5 MILLION THIS YEAR WITH ANOTHER \$5 MILLION SLATED FOR NEXT YEAR. IT IS ALMOST CERTAIN THAT CONTRACTS FOR NAVIGATIONAL AIDS AND AIRPORT LIGHTING WILL BE AWARDED TO JAPANESE FIRMS. A \$20 MILLION SOFT LOAN FROM JAPAN WAS SIGNED WHICH STIPULATED THAT THE PURCHASE OF THIS EQUIPMENT BE MADE FROM EITHER JAPANESE SOURCES OR FROM LDCS (WHO ARE UNCLASSIFIED

UNCLASSIFIED

PAGE 03 LILONG 01024 291737Z

INCAPABLE OF SUPPLYING IT).

6. ROLLING STOCK, MALAWI RAILWAYS' CURRENT SHORTAGE OF ROLLING STOCK WILL BE EXACERBATED BY THE EXPECTED INCREASE IN TRANSPORT OF ZAMBIAN GOODS THROUGH MALAWI. USAID, FOR EXAMPLE, IS NOW TRYING TO SHIP 65,000 TONS OF FERTILIZER TO ZAMBIA VIA THE MOZAMBIQUE PORT OF NACALA AND MALAWI RATHER THAN THROUGH DAR ES SALAAM (REF D). HIGHER VOLUME OF MALAWI'S TRADE AS WELL AS THE INITIATION OF THE PROJECTS MENTIONED ABOVE WILL NECESSITATE THE PURCHASE OF ADDITIONAL SOUTH AFRICAN-GAUGE ROLLING STOCK. SHEINBAUM

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRANSPORTATION, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 29 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978LILONG01024
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780270-0735
Format: TEL
From: LILONGWE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t1978068/aaaaagmq.tel
Line Count: 106
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 6c06c68c-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 STATE 155821, 78 LILONGWE 340, 78 LILONGWE A-17, 78 NAIROBI 9606
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2429956
Secure: OPEN
Status: NATIVE
Subject: MAJOR PROJECTS: MALAWI'S TRANSPORTATION SECTOR
TAGS: BENC, EAIR, EWWT, ELTN, MI
To: STATE COM
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/6c06c68c-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014